

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

DEFINITIONS

- (a) **Calendar Year** – means, as to each respective year, the 12-month period commencing on January 1.
- (b) **Company Owned Outlet** – means an Outlet owned either directly or indirectly by us, our affiliate or any person identified in Item 2 of this Disclosure Document. A Company Owned Outlet also includes any Outlet that is operated as a joint venture owned in part by us, our affiliate or any person identified in Item 2 of this Disclosure Document, or that is managed by us our affiliate or any person identified in Item 2.
- (c) **Direct Cost of Goods Sold** – means the cost of acquiring merchandise and products from distributors, manufacturers, or retailers, that are sold to customers, and all materials and supplies directly used by an Outlet in directly providing products and services. Direct Cost of Goods Sold does not include Direct Labor Cost, or other expenses.
- (d) **Direct Gross Profit** – means Gross Sales less Direct Cost of Goods Sold and Direct Labor Cost. Direct Gross Profit is not net profit or income and, except as to Direct Cost of Goods Sold and Direct Labor Cost, does not include the deduction of all other expenses incurred by a Pure Glow Studio.
- (e) **Direct Labor Cost** – means the direct salary, comprised of hourly wages for employees and studio manager, payroll taxes, bonuses, and overtime, if applicable. Direct Labor Cost does not include compensation paid to an owner operator of either a Franchise Outlet or Company Owned Outlet.
- (f) **Disclosed Expenses** – means those select expenses disclosed in the tables below. Disclosed expenses are limited to the identified expenses and do not include all operating expenses of an Outlet.
- (g) **Facility Expense** - consist of rent, studio maintenance expenses, utilities, cleaning fees, and minor repairs performed at the Studios.
- (h) **Franchise Outlet** – refers to a Pure Glow Studio operated under a Franchise Agreement that is not a Company Owned Outlet.
- (i) **Franchise Related Expenses** – means those franchise related select expense adjustments identified in the tables below.
- (j) **General and Administrative Expenses** - consists of office expenses, office supplies, professional fees, recruiting, insurance, payroll processing, technology fees, merchant services, and travel related expenses.
- (k) **Gross Sales** – means the total revenue of retail product sales and services sales derived by each Pure Glow Studio less sales tax, discounts, allowances, and returns.
- (l) **New Company Owned Outlet** – means, as to a particular Calendar Year, a Company Owned Outlet that for the first time opened and commenced operations during the Calendar Year. For example, if a Company Owned Outlet first opened for business in February 2023, as to the 2023 Calendar Year, the Company Owned Outlet would qualify as a New Company Owned Outlet and not as an Operational Company Owned Outlet, see definition below. If this Company Owned Outlet remained in operation throughout the 2024 Calendar Year, it would qualify as an Operational Company Owned Outlet during

the 2024 Calendar Year.

(m) New Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that for the first time opened and commenced operations during the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2023, as to the 2023 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet and not as an Operational Franchise Outlet, see definition below. If this Franchise Outlet remained in operation throughout the 2024 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2024 Calendar Year.

(n) Operational Company Owned Outlet – means, as to a particular Calendar Year, a Company Owned Outlet that was open and in operation on or prior to the commencement of the Calendar Year. For example, if a Company Owned Outlet first opened for business in February 2023, as to the 2023 Calendar Year, the Company Owned Outlet would qualify as a New Company Owned Outlet, see definition above, and not as an Operational Company Owned Outlet. If this Company Owned Outlet remained in operation throughout the 2024 Calendar Year, it would qualify as an Operational Company Owned Outlet during the 2024 Calendar Year.

(o) Operational Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that was open and in operation prior to the commencement of the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2023, as to the 2023 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet, see definition above, and not as an Operational Franchise Outlet. If this Franchise Outlet remained in operation throughout the 2024 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2024 Calendar Year.

(p) Outlet – refers to a Pure Glow Studio that is either a Company Owned Outlet or a Franchise Outlet, as the context requires.

BASES AND ASSUMPTIONS

The financial information was not prepared on a basis consistent with generally accepted accounting principles. Data for our Company Owned Outlets is based on information reported to us by our affiliate. We do not include data for New Franchise Outlets that were not open and fully operational for the 2024 Calendar Year. The information in this analysis has not been audited, is based on historical financial data, and is not a forecast or projection of future financial performance.

ANALYSIS OF RESULTS OF COMPANY OWNED OUTLETS

During the 2024 Calendar Year we had two Operational Company Owned Outlets. Material financial and operational characteristics that are reasonably anticipated to differ from future operational franchise outlets include: (a) managerial skill and efficiency experienced by our Company Owned Outlets as a result of our extensively experienced management team; (b) brand recognition within the local markets in which our Company Owned Outlets operate; and (c) no obligation to pay ongoing fees that a franchisee will pay to us, such as Royalty Fees and Brand Development Fund Fees. Below is a summary of our Company Owned Outlets.

Pure Glow – Wellesley

This Company Owned Outlet opened for business in July 2020 and is located at 22 Church Street, Wellesley, Massachusetts 02482. This Outlet operates in a downtown area and is approximately 800 square feet. This Outlet qualifies as an Operational Company Owned Outlet 2024 Calendar Year.

Pure Glow – Back Bay

This Company Owned Outlet opened for business in October 2015 and is located at 176 Newbury Street, Unit 21, Boston, Massachusetts 02116. This Outlet operates in a downtown area and is approximately 500 square feet. This Outlet qualifies as an Operational Company Owned Outlet 2024 Calendar Year.

Table 1

Company Owned Outlet: Wellesley		
	2024 Calendar Year	
	Total	% ¹
Gross Sales by Category		
Retail Products	\$11,826	7.4%
Services	\$148,386	92.6%
Total Gross Sales	\$160,212	100.0%
Less:		
Direct Cost of Goods Sold – Retail	(\$6,545)	4.1%
Direct Cost of Goods Sold – Services	(\$10,873)	6.8%
Direct Labor Cost	(\$64,525)	40.3%
Direct Gross Profit	\$78,269	48.9%
Less Disclosed Expenses		
Marketing Costs	(\$35,497)	22.2%
Facility Costs	(\$51,472)	32.1%
General and Administrative	(\$28,427)	17.7%
Direct Gross Profit Less Disclosed Expenses	(\$37,127)	(23.2%)
Less: Select Franchise Related Expenses		
Royalties ²	(\$11,214)	7.0%
Brand Development Fee ³	(\$1,602)	1.0%
Technology Fee ⁴	(\$4,500)	2.8%
Local Marketing ⁵	N/A	0.0%
Direct Gross Profit Less Disclosed Expenses and Select Franchise Related Expenses	(\$54,443)	(34.0%)
<p>“%” represents the percentage of total Gross Sales.</p> <p>² Royalties are equal to 7% of Gross Sales.</p> <p>³ The Brand Development Fee is 1% of Gross Sales.</p> <p>⁴ The Technology Fee is \$375 per month.</p> <p>⁵ You must spend the greater of 3% of your previous year’s revenue or a minimum of \$500 per month on the local marketing of your Pure Glow Studio. This adjustment reflects the difference between the local marketing requirement in Item 6 of this Disclosure Document and the marketing expenses of this Outlet disclosed in Disclosed Expenses.</p>		

Table 2

Company Owned Outlet: Back Bay		
	2024 Calendar Year	
	Total	% ¹
Gross Sales by Category		
Retail Products	\$38,732	6.0%
Services	\$610,212	94.0%
Total Gross Sales	\$648,944	100.0%
Less:		
Direct Cost of Goods Sold – Retail	(\$19,706)	3.0%
Direct Cost of Goods Sold – Services	(\$37,888)	5.8%
Direct Labor Cost	(\$13,948)	20.3%
Direct Gross Profit	\$459,402	70.8%
Less: Disclosed Expenses		
Marketing Costs	(\$23,964)	3.7%
Facility Costs	(\$71,374)	11.0%
General and Administrative	(\$46,483)	7.2%
Direct Gross Profit Less Disclosed Expenses	\$317,581	48.9%
Less: Select Franchise Related Expenses		
Royalties ²	(\$45,426)	7.0%
Brand Development Fee ³	(\$6,489)	1.0%
Technology Fee ⁴	(\$4,500)	0.7%
Local Marketing ⁵	N/A	0.0%
Direct Gross Profit Less Disclosed Expenses and Select Franchise Related Expenses	\$261,166	40.2%
<p>“%” represents the percentage of total Gross Sales. ² Royalties are equal to 7% of Gross Sales. ³ The Brand Development Fee is 1% of Gross Sales. ⁴ The Technology Fee is \$375 per month. ⁵ You must spend the greater of 3% of your previous year’s revenue or a minimum of \$500 per month on the local marketing of your Pure Glow Studio. This adjustment reflects the difference between the local marketing requirement in Item 6 of this Disclosure Document and the marketing expenses of this Outlet disclosed in Disclosed Expenses.</p>		

Some Outlets have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

Other than the preceding financial performance representations, PGFC LLC does not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Lauren Rampello Becotte, PGFC LLC, at 15 Common Street, Unit 473, Natick, Massachusetts 01760 and (617) 207-7765, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1
Systemwide Outlet Summary
For years 2022-2024**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	2	+2
Company-Owned	2022	2	2	0
	2023	2	2	0
	2024	2	3	+1
Total Outlets	2022	2	2	0
	2023	2	2	0
	2024	2	5	+3

**Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2022-2024**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
All States	2022	0
	2023	0
	2024	0
Total	2022	0
	2023	0
	2024	0